

Single settlement

What is the single settlement?

- The single settlement is one of the most significant commitments in the **trailblazer deeper devolution deal** agreed between WMCA and HM Government in 2023 – and represents a major step forward for the region’s devolution journey.
- A **memorandum of understanding** for the single settlement (inset), announced in November 2023 at the Spending Review, sets out some of the key details about how it will work.
- The single settlement will be a **consolidated grant for five key functions** – local transport, adult skills, housing and regeneration, local growth and place, and, on the basis of a pilot, retrofitting buildings (net zero).
- We will receive a **multi-year** funding allocation covering the length of each Spending Review.
- The single settlement will replace the fragmented, short-term and overly-prescribed grants the region currently receives from HMG relating to the functions of the single settlement – **ending competitive bidding for the functions and funds** within scope.
- The quantum of funding will be determined by **allocation formulae** and announced as part of the Spending Review process. WMCA will retain the right to refuse the single settlement.
- We expect to receive the first single settlement at the beginning of the first financial year after the next Spending Review – likely to be **1 April 2025**.



Memorandum of
Understanding for the Single
Settlements with Greater
Manchester and West
Midlands Combined
Authorities

November 2023

What does it mean for the region?

- The single settlement will **empower local decision-making**. WMCA Board will agree the 'functional' and 'place-based' strategies that will guide the deployment of single settlement monies, putting the region on a pro-active rather reactive footing; and will approve the individual projects, interventions and programmes that will receive funding – a power shift to local leaders.
- **Place-based strategies** will be developed by local authorities and set out how the functions of the single settlement, and other sources of public and private investment, will come together in places to drive inclusive economic growth over the long-term – sitting alongside funding for 'region-wide' programmes.
- The multi-year, consolidated funding allocation will enable a **long-term, joined-up approach to funding delivery** – enabling us to better address the deep-seated, complex challenges facing the region.
- We will secure **significant additional flexibilities** over the funding we receive through the single settlement. In particular, we will have full flexibility to choose which projects and interventions to fund insofar as they deliver against high-level 'outcomes' agreed with HMG – meaning better alignment between spending and local priorities.

The single settlement as a 'system'



What are the indicative timescales?

Workstreams	High-level milestones (all are subject to change)					
	January 2024	March 2024	May / June 2024	Summer 2024	Autumn 2024	April 2025
(1) HMG negotiations and (2) outcomes framework	CA – LA and MPL discussion on February HMG negotiations	Reach CA – HMG agreement on February negotiations	Further engagement on additional single settlement details (e.g., the terms of the WMCA – HMG Programme Board)		Agree outcome targets, funding quantum and (locally) whether to accept the settlement	Start implementation
(3) Functional and (4) place-based strategies	Commence development of functional and place-based strategies *			Seek political steers on and approval of strategies	Reconcile strategies against quantum allocated at the SR	Start implementation
(5) Assurance framework and (6) spending controls	Assessing and refining existing process for single settlement readiness				New arrangements in place	Start implementation (and participation in CA – HMG Programme Board)
(7) Strategic finance	Assessing and refining existing process for single settlement readiness				New arrangements in place	Receive the first settlement
(8) Governance and partnership development	CA – LA officer-level discussion about possible options		Present options to WMCA Board	Aim to have new structures in place, ready to take decisions	Further implementation	
(9) Roles and resources	Set up PMO function	Complete learning/evaluation of funding systems (learning from the past and elsewhere)	Ensure end-to-end enabling services underpinning funding delivery need to be fully integrated		Further implementation	

Related considerations • Major parallel workstreams • The May elections • The timing of the General Election • The timing and length of the next Spending Review

Where can I find further information?



Further information

- West Midlands Combined Authority trailblazer deeper devolution deal:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1143002/West_Midlands_Combined_Authority_Trailblazer_deeper_devolution_deal.pdf
- Memorandum of Understanding for the Single Settlements with Greater Manchester and West Midlands Combined Authorities:
https://assets.publishing.service.gov.uk/media/655d0945d03a8d001207fe19/Memorandum_of_Understanding_for_the_Single_Settlements_with_Greater_Manchester_and_West_Midlands_Combined_Authorities_FINAL.pdf

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